

**COUNTY OF SAN DIEGO, CALIFORNIA**  
**BOARD OF SUPERVISORS POLICY**

**Subject**

Allocation of the Special District Augmentation Fund

**Policy  
Number**

B-61

**Page**

1 of 3

**Purpose**

To establish Policy guidelines for the allocation of the Special District Augmentation Fund, effective Fiscal Year 1989-90.

**Background**

Section 98.6 of the Revenue and Taxation Code established a Special District Augmentation Fund (SDAF) within each County that received SB 154 bailout monies from the State for special districts in FY 78-79. Augmentation Funds are allocated annually by the Board of Supervisors following a duly noticed public hearing and must be used exclusively for special districts. FY 1989-90 begins the eleventh year of the SDAF.

Since FY 80-81 the Board of Supervisors has allocated SDAF to three types of districts: Fire Protection agencies, Flood Control and Library. While this process has resulted in the allocation of funds, it has not resulted in the adoption of any long-term policies for distributing SDAF. The fluctuation of allocations to these special districts over the past years complicates the budgeting process and makes it difficult for the district to fund short-term expenditures and plan for long-term needs. This policy offers the Board of Supervisors the mechanism to stabilize the method of allocation of the Augmentation Fund. On 11-24-87 (40-41), the Board of Supervisors directed that the Flood Control District no longer receive an SDAF allocation, beginning in Fiscal Year 1989-90.

**Policy**

It is the policy of the Board of Supervisors that the annual allocation of the Special District Augmentation Fund (SDAF) shall be developed using the following policy guidelines:

1. Allocate the SDAF to only the following special districts: Pre-Proposition 13 Fire Protection Agencies; Post Proposition 13 Fire Protection Agencies; and the Library District. No new agency, as of 1-1-89, will be eligible to participate in the SDAF allocation.
2. In order for non-contributing fire agencies to qualify to receive their proposed SDAF allocation, beginning in FY 1990-91, and each year thereafter, they will need to have a resolution for a fire mitigation fee. In addition, in order for any non-contributing agencies to be eligible to receive an SDAF allocation, the agency must be able to match 100% of its proposed SDAF allocation through revenues other than its share of the 1% property

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**Policy  
Number**

B-61

**Page**

2 of 3

tax revenues (i.e., benefit fee, special tax, grants, fund raising, plan check fees, mitigation fees, etc.).

3. Retain the present ratio of distribution of the Special District Augmentation Fund among each specific agency, beginning in Fiscal Year 1986-87, in proportion to the amount they received in Fiscal Year 1985-86 with the following provisions:

a. Any agency whose allocation would result in its receiving less than 60% or more than 95% of its contribution in FY 1988-89 shall have its allocation adjusted upward, or downward, to these percentages.

b. Any agency whose allocation would result in its receiving less than 75% or more than 95% of its contribution in FY 1989-90, and each year thereafter, shall have its allocation adjusted upward, or downward, to these percentages.

c. The remaining funds shall be allocated according to the ratios described above.

This method of annual distribution stabilizes the proportionate share of the revenue base of the Special District Augmentation Fund to each agency.

For Fiscal Year 1989-90, as jurisdictional changes occur and special districts no longer participate in the Special District Augmentation Fund, the San Diego County Auditor and Controller will recalculate the ratio of distribution to each remaining non-contributing agency based on the ratio of each agency's prior year allocation.

After Fiscal Year 1989-90, as jurisdictional changes occur and special districts no longer participate in the Special District Augmentation Fund, the San Diego County Auditor and Controller will recalculate the ratio of distribution to all remaining agencies based on the ratio of each agency's prior year allocation, making certain that this action is consistent with the provisions of 3a and 3b above.

4. Whenever consolidations or reorganizations occur, the affected agencies involved in the consolidation or reorganization will be allocated an amount no less than 100% of the funds previously contributed to the Special District Augmentation Fund from the consolidating or reorganized agencies, if legally mandated to return to the fund.

Sunset Date

This policy will be reviewed for continuance by 12-31-94.

Previous Board Action

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**BOARD OF SUPERVISORS POLICY**

**Subject**

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**Policy  
Number**

B-61

**Page**

3 of 3

4-22-86 (60)

11-24-87 (40-41)

2-14-89 (43)

CAO Reference

1. Board of Supervisors

2. Auditor and Controller